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Ambassador's Remarks to the National
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Australia and the US: Partners in Promoting

Economic Prosperity and Combating Terrorism

Thank you for that kind introduction, Ken. I would like to acknowledge:

- Press Club President Ken Randall,
- Members of the Board
- Members of the Fourth Estate

- Distinguished guests
- Australian viewers around the country

It is a pleasure to be here today. I very much appreciate the opportunity to continue and broaden my interaction with members of the Australian media and to speak directly to Australians across the Commonwealth.

As the British writer Anthony Sampson once said "In America, journalism is apt to be regarded as an extension of history; in Britain, as an extension of conversation." As a new arrival to Australia, it was suggested to me to consider journalism in Australia as an extension of Aussie Rules football: it is a contact sport without

padding; there is no offside rule, you are likely to get poked in the nose during the match, and a good story or a good scoop – like a great mark – is highly prized.

With that in mind, I would like to set the right tone before we have "the center bounce" and put the ball in play by wishing you all a Happy Valentine's Day.

In all seriousness, I have great respect for the media even though I may not always like what is

said or written about me or my country. I am impressed by the variety of the analysis and opinions expressed in the media on significant issues. The media clearly intends to be independent, provocative, and controversial which results in a robust and spirited public debate on the issues of the day. That is a good and healthy thing in a democracy, and it is a concept that Americans also embrace. The style may be different here than in the U.S., but the function and substance are the same.

I have heard it said that journalists are more attentive to the minute hand of history than to the hour hand, that journalists must be more responsive to a short term daily deadline than to

some broader annual calendar. This understandable focus on the immediate events of the day, even the events of the hour, is not limited to journalists. It is in fact a focus that we all share in this technological age of instantaneous communications from around the globe. We demand immediate information from our news media, and the availability of such information no doubt influences the opinions of the citizens and the actions of the governments in both our nations in many different beneficial ways. In the free market place of ideas, accurate and timely information is critical to accountable and responsive policy decisions.

However, I worry that an excessive emphasis on events of the day may sometimes obscure the longer term view and the broader perspective. I worry that the journalists, officials, and citizens of our two democratic societies are sometimes at risk of not seeing the forest for the trees; some might even say, not seeing the forest because of our focus on individual leaves of particular trees.

What I would like to do today is to add to the public debate within Australia on some of the important issues affecting the national interests of our two countries by suggesting a long term analysis of the policies and goals involved. These issues arise in the context of extremely positive changes generated by economic globalization

over the past decade or so. We are presented with great opportunities but those opportunities are threatened by the contrasting, disruptive impact of international terrorism and related transnational crime. We exist in an international environment that has great potential for peace, increased prosperity, and political stability because of globalization. But it is also one that is fraught with the risk of domestic turmoil, economic dislocation, and random, ruthless, indiscriminate violence against innocent citizens that is the hallmark of terrorism.

Our globally interconnected economic, political, financial, and energy systems have brought increased prosperity to many and can do so for

many more in the future. But that interdependence also guarantees that no country is immune from the consequences of terrorism. Terrorist attacks can have significant impact far beyond the geographic location directly affected. On the other hand, the development of responsive governmental institutions with a free market economy can provide the hope and opportunity which effectively eliminates one source of the dissatisfaction manipulated by the proponents of extremism and thus provides an antidote to the poisonous ideology of terrorism.

I start from an historical perspective since history affects the way both our nations view the world and informs our decision making

processes. Our two countries share an abiding faith in the democratic process (including a independent press) and the free enterprise system. That combination allows the citizens to require governmental institutions to be accountable and responsive to the needs of the people and allows individuals to seize control of their own destiny, to develop their talents and abilities to the fullest, and to seek a better life for themselves and their children. Looking back over our common history with a long term perspective validates this faith.

With the sixty-fifth anniversary of the bombing of Darwin next week, I am reminded that Australia and the United States made great sacrifices in

World War II to defeat fascism, and, after winning the war, made additional sacrifices to "win the peace" through aid to Japan and Germany which supported new democratic governments and free enterprise economies.

The United States, Australia, and other democracies spear-headed the post-war creation of new international organizations— the World Bank, the IMF and the GATT (now the WTO)— critical organizations that became the intellectual and institutional architecture for a more open international market-based system which lifted hundreds of millions out of poverty around the world and served as the foundation for the global economy that is our reality today.

I am also reminded that our two nations faced dark days in early 1950 as we dealt with the invasion of South Korea by communist forces. Both our nations experienced domestic controversy about sending troops to the Korean peninsula. However, democracy and a free enterprise system was preserved in South Korea at considerable sacrifice by both our nations, and the result 50 years later is a strong and prosperous ally and friend, whose Foreign Minister has been selected to become the next Secretary General of the United Nations. When one compares the prosperity and freedom enjoyed in South Korea against the deprivation and hardship experienced by those to the north,

one can easily understand our shared faith in democratic institutions and the free enterprise system.

I submit to you that it is in the national interest of both Australia and the United States to promote the creation of stable, democratic governments that generate greater prosperity for their own citizens through the development of more efficient and open markets. Let me describe to you just a few ways in which the United States and Australia are working together to accomplish that goal.

In the bilateral context, the U.S. and Australia are vigorously implementing the U.S./Australia

Free Trade Agreement. The FTA presents tremendous potential for both the United States and Australia in terms of increased trade and better, less expensive goods and services to consumers. It also affords the potential for increased economic activity in the entire region, and there are direct and indirect beneficial consequences of that for other nations in the East Asia-Pacific Island region.

In the multilateral context, the U.S. and
Australia work side-by-side in APEC and the WTO
for ambitious outcomes that further a common
goal of making the international market a more
open, level playing field for commercial activity.

APEC is a critically important forum for regional economic cooperation as APEC's 21 members span four continents and represent 60% of global GDP and roughly 50% of world trade. President Bush and Secretary Rice made clear in the recent Leaders Summit in Hanoi that APEC remains the pre-eminent channel for U.S. economic engagement in the region. In every meeting and public event, they stressed that the **U.S.** vision for APEC transcends customary cooperation and looks to the emergence of a true **Asia-Pacific Economic Community, spanning the** public sphere, the private sector, NGOs, academia, and civil society. They also proposed that APEC should be at the forefront of regional economic integration and begin serious

consideration of a Free Trade Area of the Asia-Pacific as a long term goal. Importantly, the Leaders formally endorsed this proposal.

Australia has already kicked off its year of leading APEC with a highly successful series of senior officials' meeting in Canberra last month, and, in the coming year, the U.S. will work under Australia's leadership with other APEC members to develop concrete initiatives to advance these goals.

On the WTO Doha Development Round, the APEC Leaders also issued a strong stand-alone statement urging APEC members and others to renew efforts to complete the negotiations. One

of the strongest passages in a pointed, one-page document was this: "We are ready to break the current deadlock: each of us is committed to moving beyond our current positions in key areas of the Round." Make no mistake about it, the Doha Development Agenda remains the U.S. number one trade priority – and USTR Susan Schwab and Trade Minister Warren Truss have been working to keep the WTO talks alive. They most recently held talks in Davos and in Washington, and the U.S. still holds out hope that their efforts and the efforts of others will result in an ambitious outcome of increased market access and reductions in subsidies.

Like Australia, the U.S. recognizes a responsibility to assist emerging democracies and developing countries. The United States has been and remains the world's largest single country donor of foreign aid. Our official development assistance nearly tripled from \$10 billion in 2000 to \$27.5 billion in 2005. Of that, ten percent, or \$2.7 billion, went to combat the HIV/AIDS pandemic that is decimating populations in Africa, the Asia/Pacific region, and the Caribbean. Around the world, the U.S. provides food aid, medical care, education, and disaster relief to millions of people. Our development assistance program is an essential element of our policy to support and promote effective government and free enterprise.

Economic development, responsible governance, domestic tranquility, and individual liberty are interrelated.

Moreover, we coordinate these efforts with
Australia and like-minded countries to ensure that
our mutual goals are achieved in an effective
manner. A perfect example of this was President
Bush's rapid decision, following consultations
with Australia, to commit a billion US Dollars for
reconstruction and development following the
2004 Boxing Day tsunami, matching Australia's
leadership contribution of \$1 Billion Aussie
Dollars.

Terrorism presents a grave threat to the positive development potential afforded by the

global economy. It presents significant, ongoing national security risks not only to both Australia and the U.S. but also to the emerging democracies and developing countries in this region. The U.S. policy to combat and defeat terrorism is well defined and well-known to you all. Iraq is the central front of the Global War on Terror, and the challenges and difficulties encountered in Iraq have provoked heated political debate on the policy, both in the U.S. and here in Australia.

A vigorous debate on this Administration's policy is to be expected because the issues are critical to both are nations. There is no easy, immediate solution to the complex problems presented in Iraq and the war on terror. All the

proposals addressing these issues involve significant challenges, and the consequences of all must be considered over that extended time horizon that I mentioned earlier. All have potential adverse consequences because the future is never clear.

However, there appear to be three factors on which there is a general consensus. First, the vast majority of the Iraqi people desire peace, security, individual rights and liberties, and an opportunity to determine their own destiny. We all remember the millions of Iraqis who gave witness to these aspirations by voting in repeated elections over the past several years, despite that very real threat of terrorist violence. Risking their

lives, both at the polls and possibly later in retribution for having voted, Iraqis turned out in astounding numbers. There was no mandatory voting so familiar here in Australia, and yet the Iraqis proudly displayed the blue thumbs showing their courageous exercise of the right to vote in the selection of leaders for their new government.

Second, it is an undeniable fact that the duly elected government of Iraq has largely been unable to achieve its goals of domestic stability and tranquility. Although the government is trying to deliver peace and freedom to its citizens, terrorists – inspired and assisted by the forces of al-Qaeda - are trying to destroy the elected government of Iraq and, through the fomenting and manipulation of sectarian conflict, to destroy

the willingness of Iraqis to work together in a democratic system.

Third, even those who propose a withdrawal of U.S. troops concede that, if the U.S. and other coalition partners were to leave Iraq before the Iraqi government is capable of defending its people and providing for its own domestic stability, the consequences for the Iraqi people would be dire. The current sectarian violence would likely turn into a bloodbath with increased retaliatory violence and loss of life on all sides. Additional adverse consequences outside Iraq, including the Asia/Pacific Island region, have also to be considered

Given those facts, the U.S. and our coalition partners remain committed to helping Iraqis

realize their goal of freedom, peace and prosperity. President Bush's new "surge" strategy has three elements, and General Peter Pace, the Chairman of the U.S. Joint Chiefs of Staff, was here in Canberra this week to discuss this strategy with Defense Minister Nelson and Prime Minister Howard.

First, a temporary U.S. troop increase will assist the Iraqi government in stabilizing the situation in Baghdad which is the locus of most of the violence. The reduction in the sectarian violence between Shiites and Sunnis will require disarming violent extremists in both communities and establishing a presence to secure those neighborhoods.

Second, the Iraqi government has committed to assume greater responsibility for its own security and government services and has agreed to perform certain defined benchmarks within a given time frame. The Iraqi government is on schedule to meet these benchmarks.

Third, the Iraqi government has committed to spend \$10 billion in economic investment programs to revitalize the Iraqi economy. These programs will provide jobs and rebuild needed infrastructure.

All three elements are necessary for the long term stability of the Iraqi nation. There is no easy cookie-cutter format for a democratic government. The development of democratic

institutions is a dynamic, continuing process, and it depends upon the creation of confidence within the society in individual rights, the rule of law, the integrity of government officials, freedom of speech, the independence of the media, and domestic stability and security. Democracy cannot be imposed. Citizens of conviction must choose it.

The Global War on Terror is not limited to Iraq. Having denied the terrorists a safehaven in Afghanistan, the U.S. is determined to prevent al-Qaeda and associated forces from re-establishing safehavens elsewhere. As part of that effort, the U.S. has detained numerous captured al-Qaeda fighters at Guantanamo Bay, and the designation

and detention of those illegal enemy combatants has provoked great controversy and debate within the U.S. and Australia. In Australia, the debate has focused on the case of David Hicks who has been designated as an enemy combatant and detained at Guantanamo Bay for five years awaiting trial before a military commission for alleged war crimes.

There are numerous issues that have been raised in the media with regard to David Hicks, and, given time constraints, I would like to address in my remarks the issue which appears from media coverage to be the one of greatest interest to Australians. However, I look forward to discussing all others during the question period

following these remarks and thereafter as well if we run out of time. I have also brought with me copies of an opinion piece which I submitted to both the Age and the Australian last November on detainee issues generally. In it, I provide a more detailed analysis of various issues concerning the U.S. treatment of detainees. Those present can take it with them. I believe that the Age has posted it on their website so those who are not present here in Canberra can access it if they are interested in doing so.

The issue which appears to me to be of greatest interest to Australians is why has a trial on these war crimes allegations been delayed for so long. Australians are understandably angry at

the delay. Australians believe, as Americans believe, that an accused should have a "fair go" through a trial under the rule of law.

The Australian government is also angry at the delay. The Attorney General, the Foreign Minister, and the Prime Minister have all been in regular contact over the past several years with officials at the U.S. Department of Justice, at the Department of State, and at the White House expressing in no uncertain terms Australia's demand that Mr. Hicks be brought to trial as expeditiously as possible.

The U.S. understands and shares this dismay at the lengthy delay. But the U.S. has not sought delay. The reason for the delay is the opportunity

afforded detainees under the U.S. rule of law to challenge before an independent civilian judiciary the very process of adjudication. Various enemy combatants exercised that important right. As the appellate courts considered these issues, trials were stayed by court order pending the outcome of the appeals. The U.S. Congress then responded to the court decision by enacting new legislation to address the legal deficiencies found by the court. The resolution of novel and important issues before U.S. appellate courts and through Congressional action admittedly takes time. But it is time well invested for the rule of law in clarifying a specific body of law in the controversial area of war crimes.

We should all remember that the U.S. provides counsel at government expense for the detainees, and private counsel can also participate in the challenge process and appeals. There are, of course, numerous volunteer lawyers from American bar groups who also provide free representation to detainees. Since John Adams' representation of the British soldiers who fired on colonial protesters on the Boston Green, history has shown that American lawyers take seriously their responsibility to be zealous advocates for controversial clients. No one in Australia can claim that Mr. Hicks has not been represented by zealous advocates. Given the different results reached in closely divided opinions in the Supreme Court and the lower appellate courts in

terrorist cases, counsel for detainees have pursued every possible defense, procedural or factual, that imaginative and talented attorneys can devise. And certainly they should have done so as their responsibility and obligation requires.

Issues relating to the designation,
processing, treatment, trial, and interrogation of
detainees intersect at the very crossroads of
individual rights and national security, and, in
America, these issues have been, are being, and
will continue to be addressed by our independent
federal judiciary as they should be in a free,
democratic society. It is that pedigree of process
with multiple judges passing upon the complex
issues of the day in our appellate courts which

results in the American people accepting the ultimate decision as the law of the land and complying with it.

Some assert that the U.S. has abandoned the rule of law in this area. Rather than abandoning the rule of law, I suggest to you that America is embracing the rule of law in the midst of war as no nation in history have ever done. We Americans certainly do not always agree among ourselves on what the "right" judicial decision should be, but we recognize the legitimacy of whatever the decision may be at the end of the process. It is one of the enduring strengths of our system of government and our people, even if it

results in significant delay in the ultimate outcome of a particular case.

We are living in challenging times. Australia and the U.S. are presented with remarkable opportunities to affect the entire region in a positive way based upon a burgeoning global economy. It is a potential which could hardly have been imagined decades ago. At the same time, both nations face continuing, serious threats from international terrorism which will not disappear without action on our part. It therefore distresses me when I read of surveys like the BBC/Age poll this January indicating a view that the U.S. has a negative impact on world affairs. Let me suggest to you that such a perception

reflects a profound misunderstanding of U.S. goals and the policies designed to reach those goals. The U.S. is, in fact, attempting to use its influence and resources to promote global prosperity and stability and to encourage other responsible nation states to do the same. No single country has the capability to succeed in that effort on its own- The U.S. must work together with other nation states, particularly with one of its closest allies – Australia.

The relationship between our nations is stronger, broader, and deeper than ever. At times, we will have disagreements and conflicting opinions. Yet, our shared devotion to democratic principles and ideals unites us. Together we can bring hope and opportunity not only to

Australians and Americans but also to so many others in the world. For that reason, I am honored to be the United States' representative to Australia.

Thank you for allowing me to address you today. I am happy to answer any questions.

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